

**House of Representatives  
Education Meeting  
January 10, 2007**

**Points for Discussion**

Good afternoon Mr. Chairman and committee members:

My name is Jerry House and I am the Superintendent for the Whitefish School District. I am here today to represent an excellent cadre of experienced teachers and administrators who have a community that strongly supports education. I do have fiscal issues that I would like to share with your committee.

I am concerned about the future budgeting for Whitefish School District's General Fund Budget. Dollars are getting tighter and they are being stretched further each school year. We are now at the point where I cannot stretch the dollar any further, and now Whitefish School District is planning to cut programs and personnel to the projected tune of \$475,000 for the 2007-08 school year. This of course is based upon using the current dollars allocated to our district.

My hope for this legislative session is that monies directed for K-12 public education be directed to the existing programs first, programs of English, Math, Science, Social Studies, Special Education, Fine Arts and the strong elementary curriculum that we currently have in place. The more that is added to our educational plate, the more diluted the end product will become. We need funding that has little mandated strings so local control is truly a reality and proper funding can be distributed at the local level where the needs are clearly defined.

I have a couple of points that have caused a drain on our District's General Fund that I would like to share and in turn, ask for your help. My discussion points include Special Education Budgeting, Gifted and Talented Funding, and the need for support for current bills being discussed, HB 45 and SB 56.

- **Special Education Budgeting**

As you are well aware of, the Federal government passed IDEA with a funding level of 40%. To date, Whitefish School District receives 16% funding for all special education programs. How does that impact our General Fund? When you break down the funding resources, the State pays \$410,122; the Federal government pays \$345,436; and the local taxpayers pay \$574,092 or 43% of the total cost. That 43% is taken directly out of our General Fund as we are mandated to meet the need of children qualifying for Special Education services and thus, we are subsidizing a Federal mandate at the local level. That \$574,092 figure would more than solve my budgetary shortfall.

- **Gifted and Talented Funding**

We traditionally have had a strong focus on helping children with learning difficulties by providing dollars for Title programs, Special Education programs and other soft monies that help those children in need. That needs to continue to make all children successful.

Our problem however, regards funding for the Gifted and Talented student or the student who is simply an over achiever who needs that academic challenge. What is our state mandate? We are required to have a G/T program from the Elementary through the Secondary level. Whitefish School District received \$917 for the 2005-06 school year. This year we received a 42% increase, sounds good, but it was an increase of \$383 for a total of \$1300 for the 2006-07 school year. Therefore, we are taking additional funding out of our General Fund to meet the mandate of having a G/T program...and I am sorry to say, a weak one at that!

Why do I say that? Add up personnel costs, material costs, program costs, staff training...will \$1300 fit the bill? If we are talking of a quality program while maintaining our existing programs for all children, the monies currently received are not sufficient. Do we have dollars out of our General Fund to cover the costs? No we do not...we need help! I would rather the state keep the \$1300 and other district's limited funding and use it in a more efficient manner.

- **Support for Current Bills**

The passage of HB 45 would be a blessing for any school district that has capped its ability to ask local patrons for additional financial assistance. Whitefish School District is one of those elementary districts that are capped. We are in a projected budget shortfall of \$336,517.00 and cannot ask for local assistance.

The passage of SB 56 would also be a blessing for additional funds that would be reverse and kept in the local district General Fund. In our case at Whitefish School District, the approximate funds returned for local use would be \$100,000.

In summary, I stated early in my presentation that we have a projected shortfall of \$475,000. I am not asking to rob Peter to pay Paul. I am asking for two legislative decisions for improved financial capabilities for school districts at the local level.

- First, we have current programs with strings that need to be resolved, i.e., the Special Education issue that would bring back \$574,092 into the school district. Please help us with this issue.
- Secondly, we have our plates full with existing programs. Please take care of those programs first before adding additional one time funding programs or strings of mandates that add to the fiscal mess we are currently faced with. We have excellent programs in place that have proven to be among the highest achieving students in the nation. Help us keep it that way!

Thank you for listening and for serving the State of Montana...